



Reporting on and Budgeting for State Employment

A Presentation by
Senate Fiscal Division,
State Civil Service,
and the Division of Administration

May 2017



Presentation by Senate Fiscal Division,
State Civil Service, and the Division of Administration

State Civil Service

State Employment Overview



Classified vs. Unclassified

- **The state constitution divides the state civil service into the “classified” and “unclassified” service.**
 - The constitution assigns certain specific positions, such as elected officials, teaching and professional staffs of universities, students, etc., to the unclassified service, and authorizes the SCS Commission to assign others.
- **Any position not specifically assigned to the unclassified service is in the classified service. (Art. X, Section 2)**
 - Thus, when a position is created that is not constitutionally unclassified, Civil Service determines whether the position is unclassified or classified.
 - If the position is determined to be classified, Civil Service provides a system of job classification that governs the position’s title and pay options. *(Civil Service has no authority over the pay of unclassified positions.)*



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EXECUTIVE SUMMARY: UNCLASSIFIED AUTHORITY

Updated 1/7/16

AUTHORITY	POSITION LEVEL	POSITION TITLE (not all-inclusive)
Louisiana State Constitution Article 10 Granted to Executive Branch Departments	Agency Head (granted to Major State Agencies)	<i>Secretary</i> <i>Commissioner</i> <i>Superintendent</i>
	Principal Assistant (granted to assist the Agency Head)	<i>Deputy Secretary</i> <i>Deputy Commissioner</i> <i>Deputy Superintendent</i>
	Confidential Assistant (granted to assist the Agency Head)	<i>Confidential Assistant</i> <i>Chief of Staff</i>
SCS Commission Approved 4.1(d)2 ongoing	Heads of Office within Agencies (Offices are listed in Title 36)	<i>Assistant Secretary</i> <i>Assistant Commissioner</i> SCS Commission granted in 1974
	Head of Mgmt. & Finance	<i>Undersecretary</i> SCS Commission granted on: 2/4/1981
	Private Secretary granted to Agency Head	<i>Executive Secretary</i> <i>Private Secretary</i> SCS granted on: 8/16/2000
	Executive Counsel granted to Agency Head	<i>Executive Counsel</i> <i>General Counsel</i> SCS Commission granted on: 1/7/2004 and 2/20/2008
	Press Secretary granted to Agency Head	<i>Press Secretary</i> <i>Public Relations Officer</i> <i>Media Consultant</i> <i>Media Liaison</i> SCS Commission granted 1/7/2004 and 2/20/2008
	Physicians / Psychiatrists	<i>Physician</i> <i>Psychiatrist</i> SCS Commission granted on: 10/15/1989
	Students	Bona-fide students placed in the unclassified service 10/1983. Generally noted as 4.1(d)1 as students are typically part time employees
4.1(d) 2 SCS Commission Approved	As requested by agencies when classified jobs do not exist.	<i>Various Titles – Positions are longer termed and temporary in nature. Approved for a period of no more than 4 years.</i>



Position Counts - OPB

- When discussing the Executive Budget, the Office of Planning and Budget often cites the number of **authorized positions** (sometimes referred to as "T.O." or Table of Organization) for each department.
- This OPB count includes only those positions paid from the Salaries category of expenditures for the organization units and agencies that are included in each department's appropriation.
- Excluded from this count are positions paid from other expenditure categories, such as wages or per diem.



Position Counts

- **Position counts represents a set of duties requiring the services of an employee.**
- **Variations in reporting may exist depending on the category of positions.**
- **Common reporting categories may include:**
 - Filled Positions (Regular and/or Temporary)
 - Vacant Positions (Regular and/or Temporary)
 - Filled and Vacant Positions (Regular and/or Temporary)



Employee Counts

- **Employee counts represents the number of individuals (employee headcount) reported by state agencies as actively employed on a given date.**
- **Variations in reporting may exist depending on the category of employees reported.**
- **Common reporting categories may include:**
 - Regular Classified Employees
 - Temporary Classified Employees
 - Regular Unclassified Employees
 - Temporary Unclassified Employees



Full-Time Equivalents (FTEs)

Full-Time Equivalents ("FTEs") — The number of full-time (40 hours/week) positions represented by aggregating the assigned work hours reported for current employees.

For example, two 20-hour per week employees equate to one (1) FTE.

An FTE report from SCS is derived from actual employees and will not reflect any vacant positions.



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Reporting Differences Between State Civil Service and the Office of Planning and Budget

State Service Employment Summary 3/31/2017

Nature of Information	Employee Counts			Full-Time Equivalents		
	Classified	Unclassified	Total	Classified	Unclassified	Total
Appropriated Agency Report Prepared for OPB* - excludes non-appropriated agencies, student employees in the unclassified service, all students, most board and commission members, registrar of voter employees, and retirement systems.	35,900	24,828	60,728	34,463	18,684	53,147
Appropriated Agencies Total/Regular Report - includes all of the OPB exclusions	37,567	32,314	69,881	36,066	24,118	60,184
Non-Appropriated Agencies Total/Regular Report - includes all of the OPB exclusions	540	913	1,453	506	218	724
Units of Local Government Agencies Total/Regular Report - includes all of the OPB exclusions	1,547	861	2,408	1,466	241	1,707
Statewide Agencies Total/Regular Report - includes all of the OPB exclusions, plus units of local government, or "quasi-state agencies", such as housing authorities, levee boards, ports	39,654	34,088	73,742	38,038	24,577	62,615



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SUMMARY BY MAJOR DEPARTMENT - Data as of 3/31/2017

DEPARTMENT TOTALS	CLASSIFIED			UNCLASSIFIED			TOTAL EMPLOYEES		
	# EMP	# FTE	ANNUAL PAY RATE	# EMP	# FTE	ANNUAL PAY RATE	# EMP	# FTE	ANNUAL PAY RATE
EXECUTIVE DEPARTMENT	2,102	2,051.29	127,783,253.88	1,661	1,347.77	65,361,400.04	3,763	3,399.06	193,144,653.92
VETERANS AFFAIRS	882	774.50	26,812,254.82	13	5.00	429,230.28	895	779.50	27,241,485.10
ECONOMIC DEVELOPMENT	63	62.00	3,727,775.48	50	45.50	4,412,059.34	113	107.50	8,139,834.82
CRT	654	546.00	22,513,084.36	407	143.90	9,354,390.37	1,061	689.90	31,867,474.73
DOTD	4,257	4,250.50	201,415,429.18	95	54.00	3,566,205.06	4,352	4,304.50	204,981,634.24
DPSC - CORRECTIONS	4,727	4,573.00	197,778,295.73	83	71.70	7,403,967.54	4,810	4,644.70	205,182,263.27
DPSC - PUBLIC SAFETY	2,566	2,471.00	150,785,222.64	151	101.05	6,380,269.54	2,717	2,572.05	157,165,492.18
DYS-OFF OF JUV JUST	718	711.00	32,352,155.68	96	65.75	4,948,188.44	814	776.75	37,300,344.12
LDH	6,947	6,625.58	319,261,353.15	817	220.90	42,743,185.81	7,764	6,846.48	362,004,538.96
DCFS	3,474	3,393.00	146,312,593.27	80	23.00	3,476,748.86	3,554	3,416.00	149,789,342.13
DNR	280	275.00	16,766,824.88	33	17.50	1,257,073.52	313	292.50	18,023,898.40
REVENUE	694	630.00	34,884,637.32	46	12.70	2,113,212.14	740	642.70	36,997,849.46
DEQ	659	650.00	37,136,154.90	31	16.00	1,183,627.38	690	666.00	38,319,782.28
LWC	913	860.00	40,852,384.90	63	24.69	1,589,861.10	976	884.69	42,442,246.00
WILDLIFE & FISHERIES	843	817.00	45,475,755.05	53	30.24	1,531,564.32	896	847.24	47,007,319.37
CIVIL SERVICE AGENCIES	160	160.00	9,571,473.60	76	10.00	952,536.64	236	170.00	10,524,010.24
HIGHER EDUCATION	5,410	5,236.86	169,278,251.53	27,654	20,553.65	1,233,165,463.25	33,064	25,790.51	1,402,443,714.78
HEALTH CARE SERVICES	282	282.00	10,464,359.62	209	163.40	13,475,423.91	491	445.40	23,939,783.53
EDUCATION	476	443.50	25,862,086.38	244	219.26	14,792,747.80	720	662.76	40,654,834.18
EDUCATION - OTHER	331	322.00	11,617,978.94	433	371.65	20,680,851.32	764	693.65	32,298,830.26
PUBLIC SERVICE COMM	64	63.00	3,132,693.98	17	17.00	1,059,505.20	81	80.00	4,192,199.18
AGRICULTURE	522	502.00	24,601,630.30	55	49.66	4,042,599.34	577	551.66	28,644,229.64
JUSTICE	0	0.00	0.00	535	509.04	29,172,058.86	535	509.04	29,172,058.86
INSURANCE	198	192.00	10,775,342.24	30	27.50	3,114,378.28	228	219.50	13,889,720.52
LIEUTENANT GOVERNOR	4	3.00	171,905.50	10	9.00	718,187.34	14	12.00	890,092.84
SECRETARY OF STATE	557	361.00	19,029,150.40	190	179.80	9,799,106.72	747	540.80	28,828,257.12
TREASURY	49	44.00	2,978,012.96	28	10.00	1,224,512.38	77	54.00	4,202,525.34
RETIREMENT SYSTEMS	275	273.00	17,015,493.56	65	34.00	4,501,696.86	340	307.00	21,517,190.42
INDEPENDENT	0	0.00	0.00	2	2.00	120,049.90	2	2.00	120,049.90
EXECUTIVE BRANCH (State Employees)	38,107	36,572.23	1,708,355,554.25	33,227	24,335.66	1,492,570,101.54	71,334	60,907.89	3,200,925,655.79
EXECUTIVE DEPARTMENT	0	0.00	0.00	9	0.50	14,276.00	9	0.50	14,276.00
HOUSING AUTHORITIES	654	582.87	20,878,374.92	554	148.64	8,170,607.78	1,208	731.51	29,048,982.70
PORTS, LEVEE BOARDS	893	883.50	39,406,677.74	288	88.29	10,428,998.18	1,181	971.79	49,835,675.92
INDEPENDENT	0	0.00	0.00	2	2.00	108,207.68	2	2.00	108,207.68
LEGISLATIVE	0	0.00	0.00	8	2.00	465,816.96	8	2.00	465,816.96
UNITS OF LOCAL GOVT	1,547	1,466.37	60,285,052.66	861	241.43	19,187,906.60	2,408	1,707.80	79,472,959.26
TOTAL WORKFORCE	39,654	38,038.60	1,768,640,606.91	34,088	24,577.09	1,511,758,008.14	73,742	62,615.69	3,280,398,615.05



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A Summary of Existing Operating Budget Authorized Positions Compared to ReEngrossed Positions

DEPARTMENT NAME	AUTHORIZED POSITIONS IN THE TABLE OF ORGANIZATION (TO)										Non-TO FTE Positions Recommended
	E.O.B. Budget 12/1/2016	Vacancies Existing 05/03/2017	Total Vacancies Eliminated	Total Filled Eliminated	Total Positions Eliminated	Total Positions Transferred	Total New Positions Added	Authorized Positions Recommended	Recommended Over/(Under) E.O.B.	Authorized O.C. Positions Recommended	
Executive	1,923	171	0	0	0	36	6	1,965	42	361	93
Veterans Affairs	840	57	0	0	0	0	0	840	0	0	0
State	313	11	0	0	0	0	0	313	0	0	0
Justice	489	32	(19)	0	(19)	0	19	489	0	1	46
Lt. Governor	7	1	0	0	0	0	0	7	0	8	0
Treasury	54	3	0	0	0	0	0	54	0	0	5
Public Service	99	16	0	0	0	0	0	99	0	0	1
Agriculture & Forestry	563	44	0	0	0	0	0	563	0	27	42
Insurance	225	9	(3)	0	(3)	0	0	222	(3)	0	3
Economic Development	113	12	0	0	0	0	0	113	0	0	0
Culture, Rec. & Tourism	616	83	(54)	0	(54)	0	19	581	(35)	27	105
Transportation & Develop.	4,253	75	0	0	0	0	5	4,258	5	0	0
Corrections	4,723	228	0	0	0	0	0	4,723	0	0	23
Public Safety	2,514	76	0	0	0	0	0	2,514	0	0	55
Youth Development Svcs.	1,001	240	(57)	0	(57)	0	0	944	(57)	7	25
Health & Hospitals	5,732	502	(16)	(10)	(26)	(39)	121	5,788	56	1,421	426
Children & Family Services	3,447	193	0	0	0	0	0	3,447	0	0	216
Natural Resources	331	47	(19)	0	(19)	0	0	312	(19)	0	2
Revenue	713	77	(20)	0	(20)	0	0	693	(20)	15	6
Environmental Quality	684	25	0	0	0	0	14	698	14	0	0
Workforce Commission	929	87	(4)	0	(4)	0	0	925	(4)	0	139
Wildlife & Fisheries	779	35	0	0	0	0	0	779	0	3	123
Civil Service	171	4	0	0	0	0	0	171	0	0	2
Retirement	0	0	0	0	0	0	0	0	0	0	0
Higher Education	0	0	0	0	0	0	0	0	0	0	0
Other Education	746	69	(29)	0	(29)	0	30	747	1	35	16
Dept. of Education	489	75	(43)	0	(43)	0	0	446	(43)	0	177
Health Care Services Div.	0	0	0	0	0	0	0	0	0	0	0
Other Requirements	0	0	0	0	0	0	0	0	0	0	0
GENERAL APP. BILL	31,754	2,172	(264)	(10)	(274)	(3)	214	31,691	(63)	1,905	1,505
Ancillary	1,154	107	(3)	(13)	(16)	3	0	1,141	(13)	10	19
Non-Appropriated	0	0	0	0	0	0	0	0	0	0	0
Judicial App. Bill	0	0	0	0	0	0	0	0	0	0	0
Legislative App. Bill	0	0	0	0	0	0	0	0	0	0	0
Special Acts	0	0	0	0	0	0	0	0	0	0	0
Capital Outlay	0	0	0	0	0	0	0	0	0	0	0
TOTAL STATE	32,908	2,279	(267)	(23)	(290)	0	214	32,832	(76)	1,915	1,524



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Method of Reporting

Report on State Employment: Method of Reporting

This Report on State Employment is compiled by using information collected and maintained pursuant to R.S. 42:289 and R.S. 42:290. This information is collected by the Department of State Civil Service on a weekly basis and reflects actual data reported by state agencies. The Department of State Civil Service makes no changes in the data with the exception of the calculation provided in #2 below.

1. NUMBER OF EMPLOYEES CALCULATED

The number of individuals employed by a state agency. Note: If an individual is employed by more than one agency at the same time, he/she is counted as one employee for each agency and twice in the Statewide total

Note: records that are unable to be categorized due to invalid job codes or missing positions are excluded from this report. Those records are returned to the agency as errors.

2. NUMBER OF FULL TIME EQUIVALENTS (#FTE) CALCULATED

TYPE OF EMPLOYEE:	FTE PERCENT ASSIGNED BY PROGRAM:
WAE (When Actually Employed)	0.00
Per Diem	0.00
Full Time	1.00
Part Time	Assigned value reported by agency.

WAE:

The nature of WAE employment indicates that there is no set work schedule thus an accurate FTE cannot be calculated. Any employee reported as a WAE is NOT included in the FTE calculation.

PER DIEM:

Reflects Boards and Commissions that typically meet one or two days per month. Any employee reported as a Per Diem employee is NOT included in the FTE calculation.

3. ANNUAL PAY RATE CALCULATED

Annual Rate of Pay columns are populated by the rate of pay reported by the agency. Please note however, Per Diem, When Actually Employed (WAE) and certain part-time employee's reported rate of pay may not reflect annual amounts. For example: If a per diem employee earns \$75/day, the rate of pay column may indicate \$75.00 or if a college institution employee earns \$4000/month for a 5 month semester, rate of pay column may indicate \$4000.



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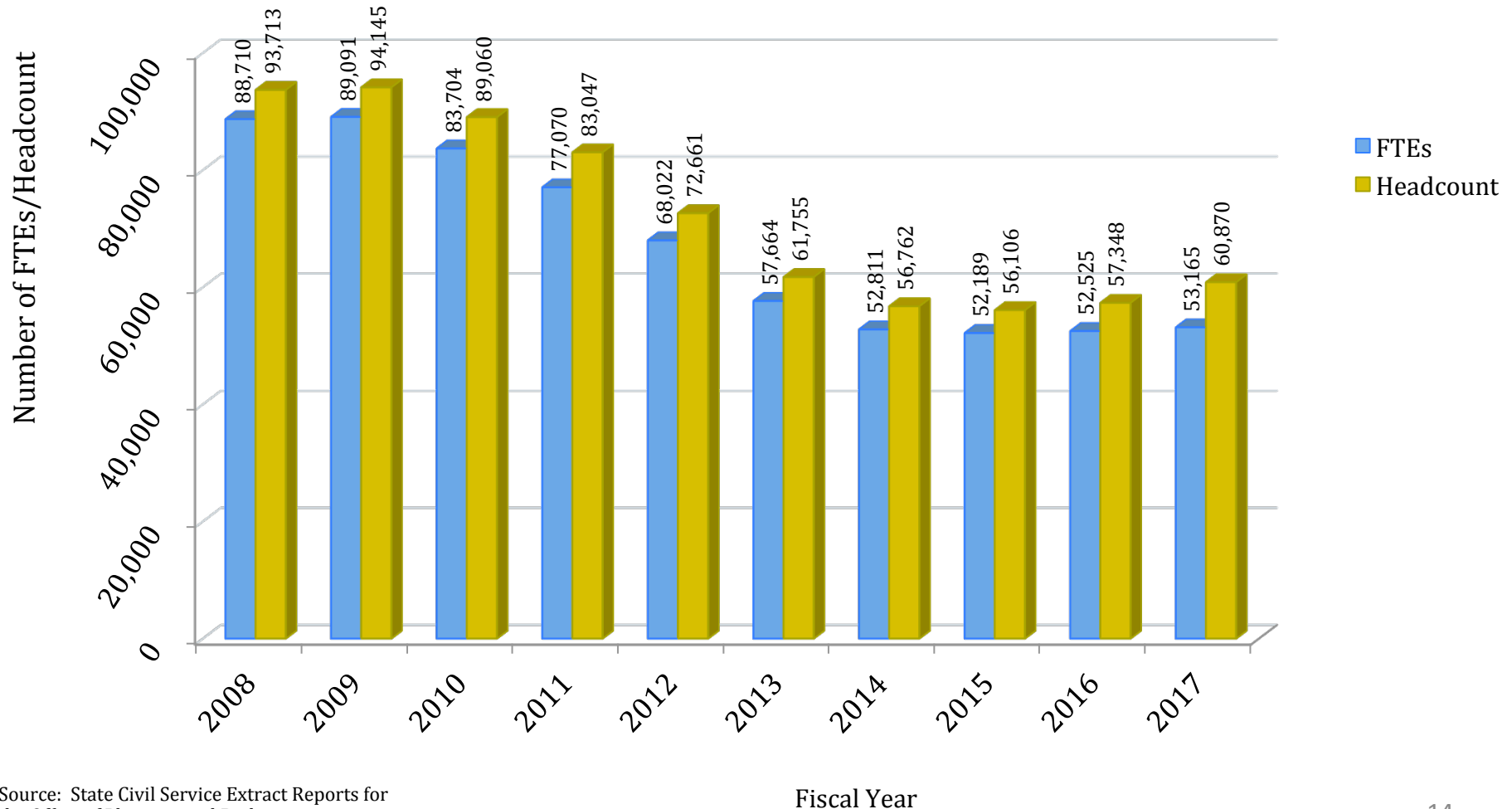
Senate Fiscal Division

Historical Data
on State Employee Numbers



Presentation by Senate Fiscal Division, State Civil Service, and the Division of Administration

Appropriated Full-Time Equivalents (FTEs) and Headcount for Classified and Unclassified State Employees by Fiscal Year

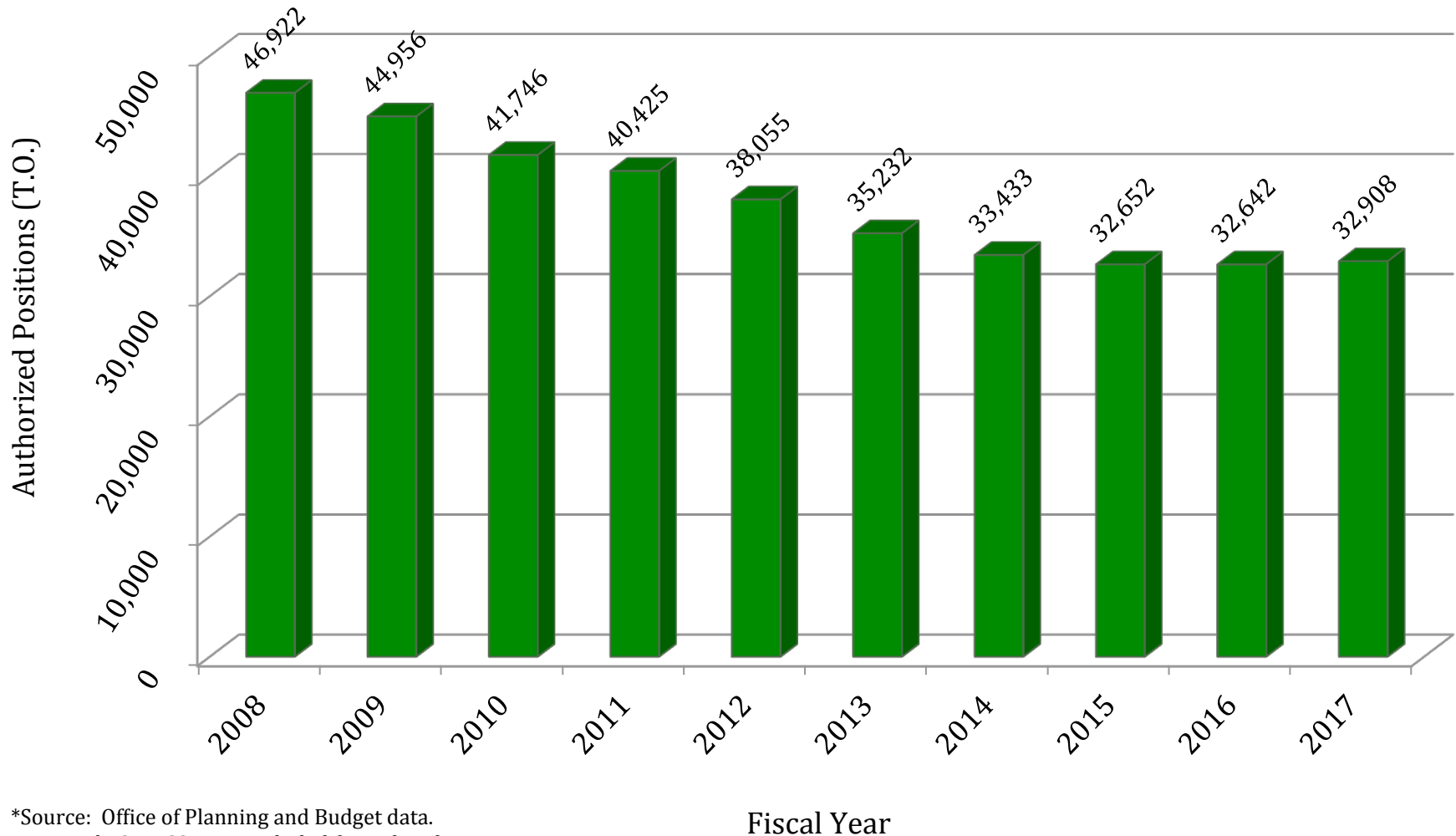


Source: State Civil Service Extract Reports for
the Office of Planning and Budget.



Presentation by Senate Fiscal Division, State Civil Service, and the Division of Administration

Authorized Positions (T.O.) by Fiscal Year*



*Source: Office of Planning and Budget data.
HIED and LSU HCSO are excluded from this chart.



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Division of Administration

Office of Planning and Budget

Budgeting of Authorized Positions



Budgeting of Authorized Positions

- **R.S. 39:2 Definitions**

- (5)(a) "Authorized positions" means the number of positions approved by the legislature in an appropriation bill to be funded by the salaries continuing category of the accounting system for the state. The number may be adjusted during a fiscal year in accordance with procedures provided by law.
 - Positions that are coded as Salaries in the accounting system using generally accepted accounting practices
- (5)(b) "Authorized other charges positions" means the number of positions in an appropriation bill to be funded by the other charges continuing category of the accounting system for the state. The number may be adjusted during a fiscal year in accordance with law.
 - [Act 377 of 2013 by Rep. Burrell]
 - Positions coded in the Other Charges expenditure category
 - These positions are usually associated with federal grants



Budgeting of Authorized Positions

- **R.S. 39:51 General Appropriations Bill; other appropriation bills**
 - (4)B. The General Appropriation Bill and the bill appropriating funds for ancillary expenses of state government shall include for each program, department and budget unit, comparative statements of the **number of authorized positions** and of the existing operating budget for a date certain to be established by the budget office for the current fiscal year and the appropriations for the ensuing fiscal year.
- **Exceptions:**
 - Higher Education - LAGRAD Act autonomies
 - Department of Health, Human Service Districts (Local Governing Entities)



Budgeting of Authorized Positions

- **How OPB arrives at a recommended level of T.O.**
 - Requests for additional positions are submitted by the agencies in the budget requests
 - The base used for any adjustment is the Existing Operating Budget as of December 1
 - Factors
 - Availability of resources
 - Legislative action
 - Federal requirements
 - Priority within the department and the state



Budgeting of Authorized Positions

- **Examples:**

- 30 positions, Thrive Academy, Act 672 of 2016
 - Creates a new budget unit within Special Schools
 - Competes for general fund
- 5 positions, DOTD, Geospatial Mapping and Database
 - DOTD is the sole user of the TTF and does not have to compete for the resource
 - The database will be used across state government and not just DOTD
- 28 positions, OAAS, federal staffing requirements
 - Department of Justice ADA non-compliance
- 81 positions, OCDD, federal staffing requirements
 - Federal Title XIX regulations on staff-to-resident ratio



Program Budgeting and Line-Item Budgeting

- Budgeting in general

The current appropriations bills are divided into ...

- Schedules (01 - Executive Department)
- Budget Units/Agencies (01-107 Division of Administration)
 - Means of Financing are budgeted at this level
- Programs (Executive Administration)
 - Expenditures and positions are budgeted at this level
- Activities
 - Office of Planning and Budget (OPB)
 - Office of Statewide Reporting and Accounting Policy (OSRAP)
 - Office of Finance and Support Services (OFSS)
 - Office of Facility Planning and Control (OFPC)



Program Budgeting and Line-Item Budgeting

- Program Budgeting
 - The concept of program budgeting is to allow the managers flexibility to react to circumstances that could not be foreseen 8-20 months earlier when developing the budget
 - Pro:
 - More flexibility for the department/agency heads
 - If there is a shortfall in one area of the budget, for whatever reason, it can be covered by an excess in another area of the budget
 - Easier to budget
 - Fewer budgeted lines
 - Con:
 - Less detail on the budget of specific offices, activities, or expenditure categories



Program Budgeting and Line-Item Budgeting

- Line-Item Budgeting
 - The concept of line-item budgeting is to specify certain amount of funds for specific expenditures
 - Can be implemented to various degrees
 - by office
 - by activity
 - by expenditure category
 - Pro:
 - More visibility on a more detailed level than from program budgeting
 - Con:
 - The more detailed level of budgeting means more budgeted lines and a more time consuming budgeting process within a finite time budget development period
 - As the level of specificity increases, the less flexibility a department/agency head has to react to unforeseen circumstances



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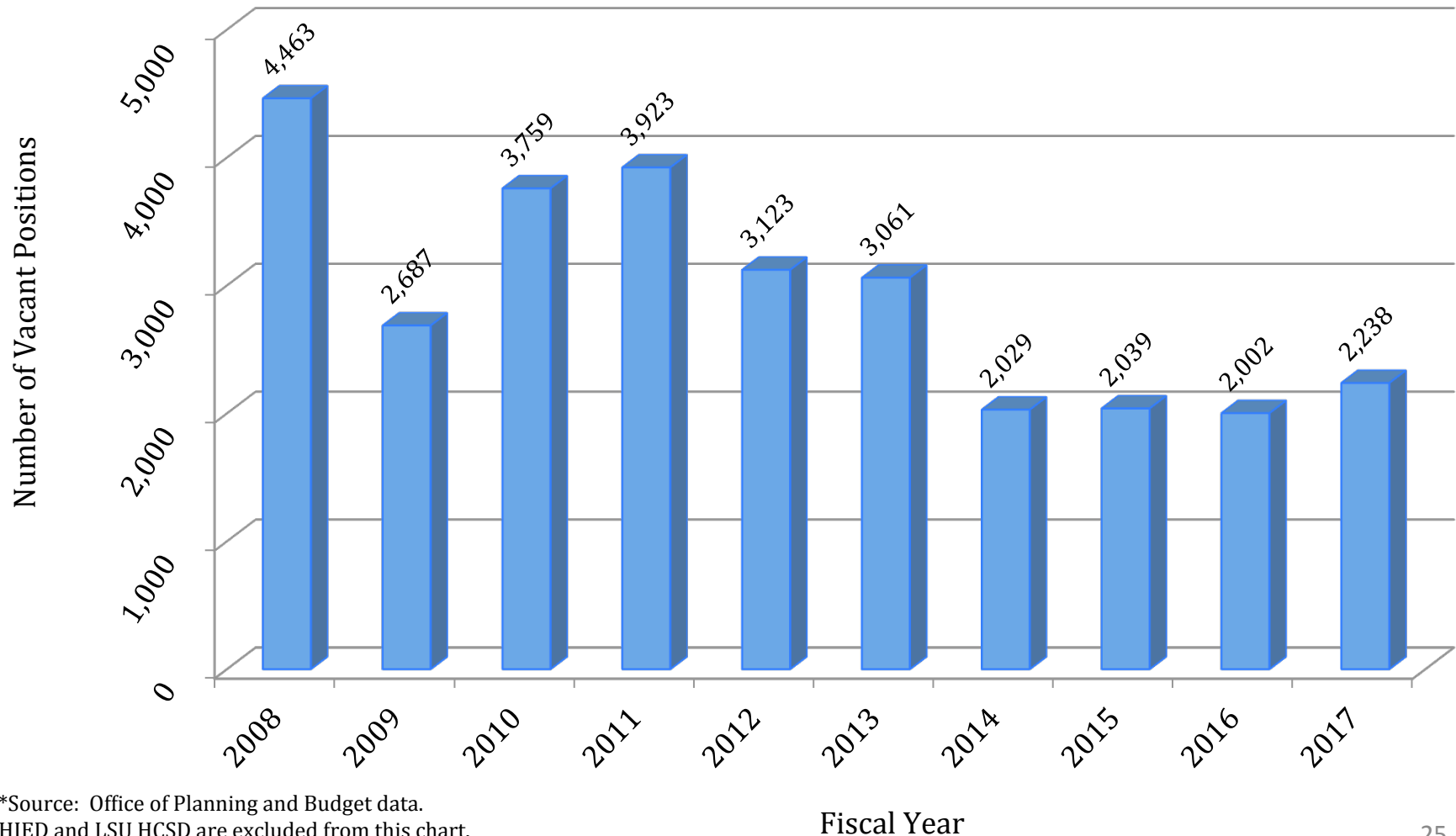
Senate Fiscal Division

Attrition and Vacancies



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Vacant Positions by Fiscal Year*

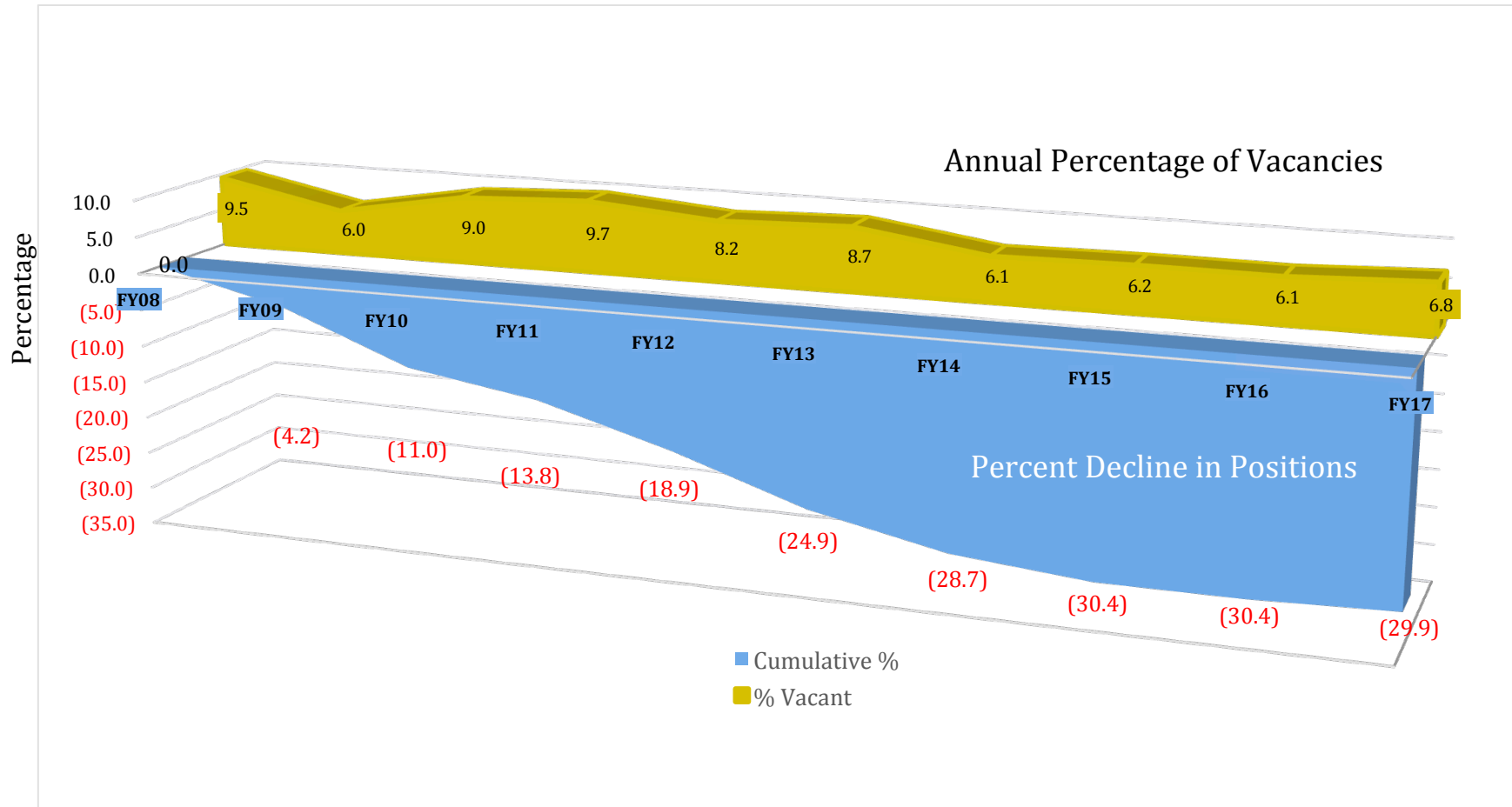


*Source: Office of Planning and Budget data.
HIED and LSU HCSO are excluded from this chart.



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Cumulative Percent Decline in Authorized Positions (T.O.) vs. Percentage of Vacancies*

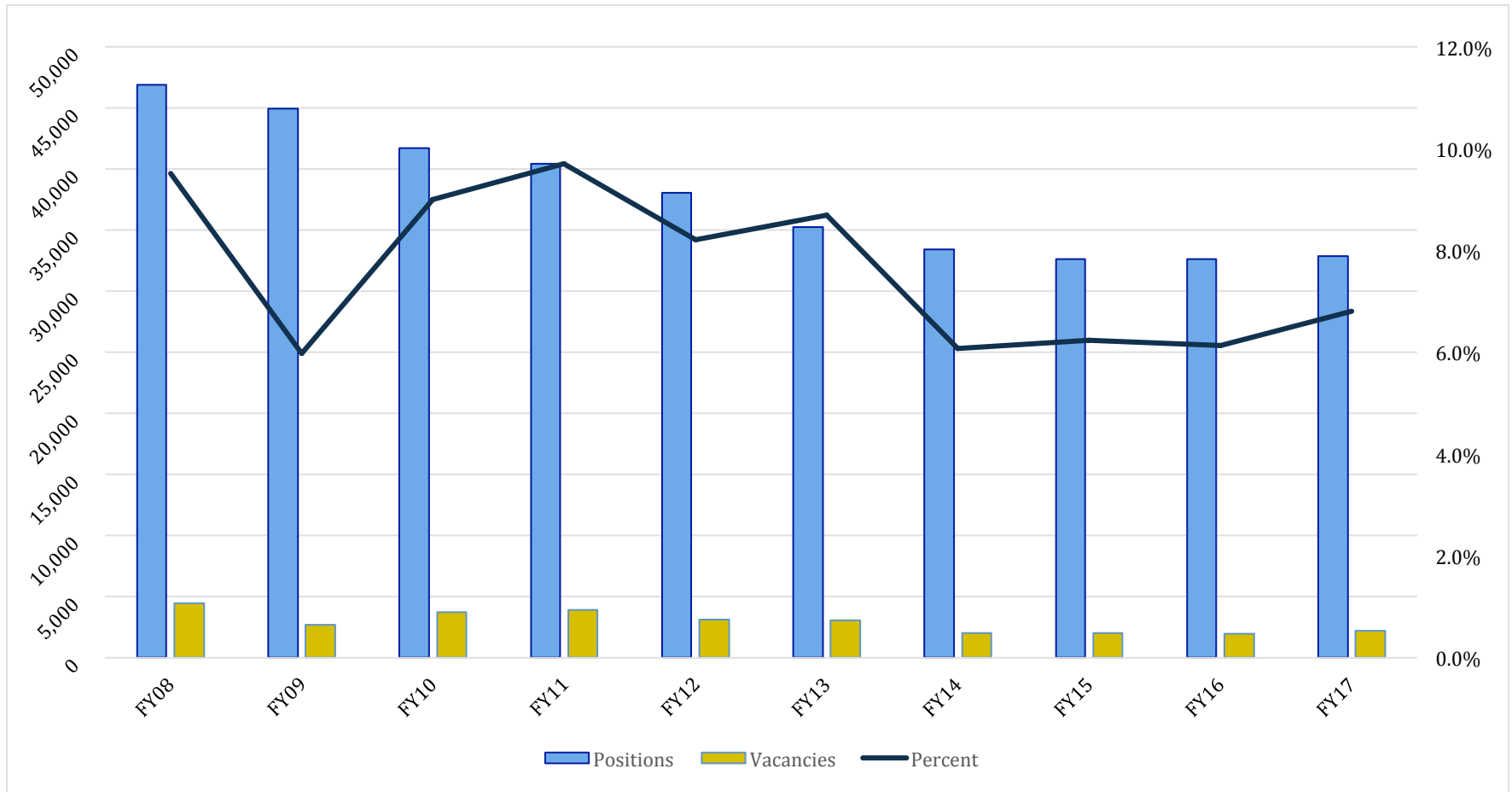


*Source: Office of Planning and Budget data.
HIED and LSU HCSD are excluded from this chart.



Presentation by Senate Fiscal Division, State Civil Service, and the Division of Administration

Historical Trends in Position and Vacancy Counts by Fiscal Year*



*Source: Office of Planning and Budget data. HIED and LSU HCSD are excluded from this chart.



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Division of Administration

Office of Planning and Budget

Budgeting for Attrition



Budgeting for Attrition

- Historically, the budget office has eliminated positions that had been vacant for over 12 months.
- OPB tries to take into account extenuating circumstances like mid-year deficits and executive order freezes that force vacancies.
- In general, the vacancies seen on any given day are the normal turnover of personnel that happens in any business the size of the state/department.
- If positions are shown as vacant at any particular point in time, it does not automatically indicate that an agency can “do without” them.



Budgeting for Attrition

- Agencies would be in the process of hiring for those vacancies
- No matter how many positions are reduced prior to the start of any fiscal year, there will always be vacancies because some employees will always leave service at some point during that fiscal year
- If vacancies are to be reduced simply based on the fact that an employee decides to leave service, then over time all agencies will be reduced to zero positions



Budgeting for Attrition

- Attrition is charged simply because not all employees will remain in their current position for the entire year.
- Budgeting process:
 - Agencies are fully funded for their positions
 - The funding is reduced by an historical attrition rate for that agency/program
 - Attrition rates might not be charged if a budgeted program has fewer than 30 positions



Budgeting for Attrition

- Example:
 - An agency has 100 employees at \$50,000 per employee
 - \$5,000,000 is needed to fully fund the positions for 26 pay periods in the fiscal year
 - Historically, we know that not all employees will remain employed for all 26 pay periods
 - Between the time the employees separates from service and the time a new employee is hired, a number of pay periods will have passed where the agency is not spending anything on salaries for that position
 - If the agency has an historical attrition rate of say 4%, then the \$5,000,000 in salaries will be reduced by \$200,000
 - The budgeted salaries for that agency will be set at \$4,800,000 for the fiscal year
 - \$200,000 is the equivalent to 4 positions for 26 pay periods
 - In reality, the agency might experience 20 employees leaving throughout the year, and it takes an average time to hire a new employee 10 weeks (5 pay periods), then the agency is not paying out 20 employees x 5 pay periods = \$200,000, or 4% attrition



Additional Attrition Savings

- The concept of calculating a mid-year attrition savings or the end-of-year estimate remains the same as building the budget except we have actual payroll data available
- What if the agency experiences a 0% attrition rate during the year, meaning all 100 employees remain employed for the entire year?
 - The agency will be on a pace to spend \$5,000,000 and to have a supplemental need of \$200,000
 - This is where the flexibility of program budgeting has an advantage over line item budgeting



Additional Attrition Savings

- What if more than a 4% attrition rate happens during the year?
 - Excess authority within the salary category is available for use elsewhere
 - Internal shortfalls elsewhere within the agency's budget
 - This is what is forced with an executive order freeze and is used to help solve a mid-year deficit
 - Having excess just because of a higher attrition rate that year does not indicate that the savings are recurring
 - It means that our estimate/our guess from 8-20 months ago was wrong



Why Are Vacancies Funded?

- “Funded vacancies” are not funded to remain vacant.
- Events happen during a year that require an agency to require additional funding.
 - The agency head might decide to ask for a supplemental appropriation for that event or need.
 - Dollar resources are scarce or not available.
 - The agency head might decide to purposely not fill a vacancy or to slow the hiring process to force additional attrition above the charged attrition rate to use for that event or need.
 - Perhaps the HVAC unit broke and the agency was not budgeted for acquisitions and major repairs.
 - Perhaps the vehicle with 170,000 miles on it broke and needs to be fixed or replaced so the prisoner or foster care child can be transported.
 - Perhaps an employee left service and the agency has to pay out (unbudgeted) 300 hours of leave and maybe even (unbudgeted) group benefits payment for retirees.
 - If an agency decides to use excess attrition for an emergency, an unanticipated event, or a mid-year deficit does not mean that the agency has abandoned the intended use for that position.



Presentation by Senate Fiscal Division, State Civil Service,
and the Division of Administration

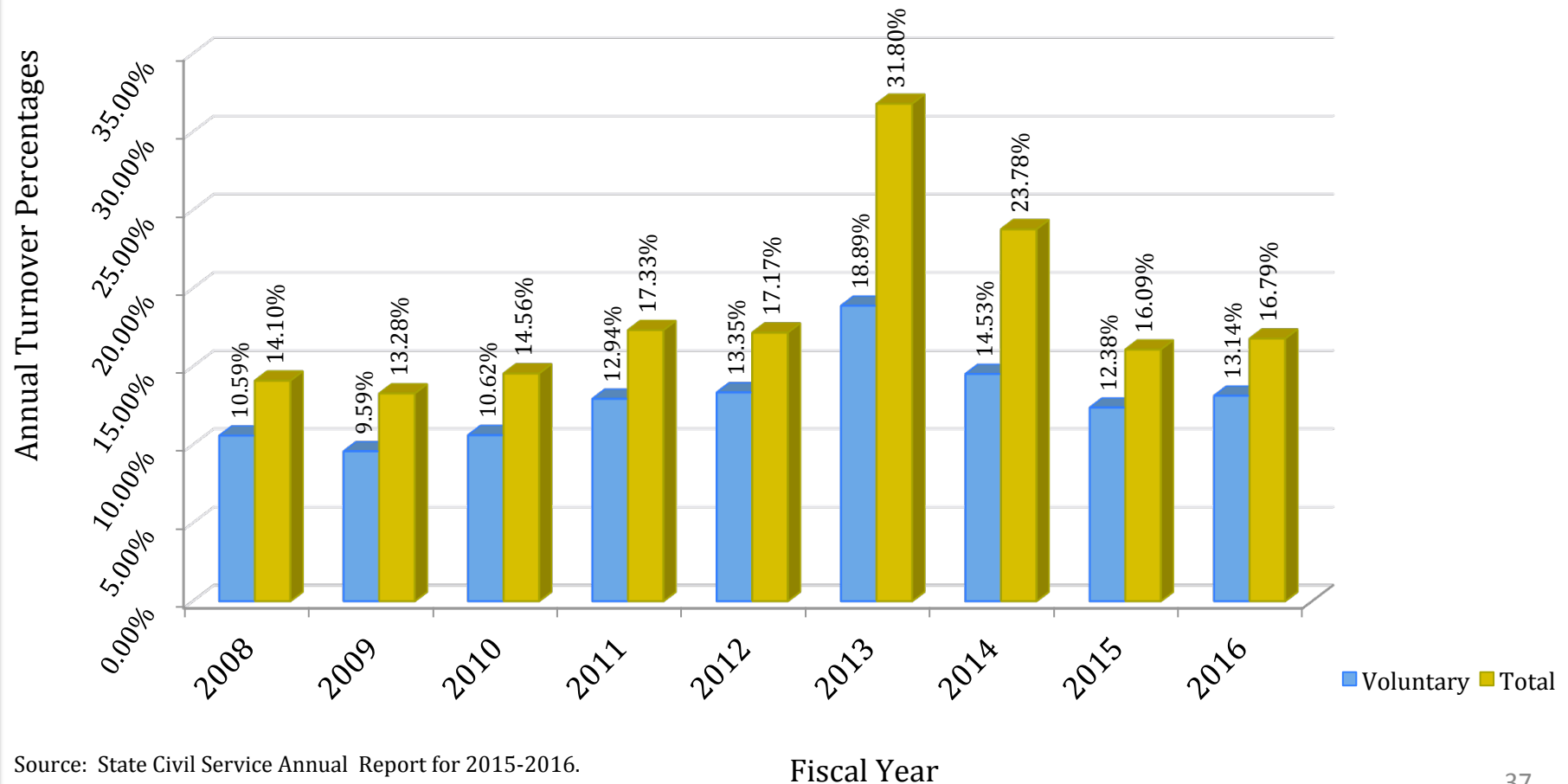
Senate Fiscal Division

Historical Turnover Data



Presentation by Senate Fiscal Division, State Civil Service, and the Division of Administration

Voluntary and Total Turnover for Classified State Employees by Fiscal Year



Source: State Civil Service Annual Report for 2015-2016.



Presentation by Senate Fiscal Division,
State Civil Service, and the Division of Administration

State Civil Service

The Cost of Turnover



Turnover Costing Model

Mathis/Jackson Simplified Turnover Costing Model

*Mathis, Robert L. & Jackson, John H. Human Resource Management,
10th Edition, Fig. 3-10, p. 90. U.S.: Southwestern, 2003*

- A. = Typical annual pay for job
- B. = % pay for benefits times (x) annual pay
- C. = Total employee annual cost (A + B)
- D. = Voluntary quits in the past 12 months
- E. = Time to become fully productive (in months)
- F. = Per person turnover cost: {multiply (E÷12) x C x 50%*}
- G. = Annual turnover cost: (F x D)

*Assumes 50% productivity throughout the learning period (E).



Other Turnover Costs Not Calculated

- Leave Payouts
- Formal Training Academy Costs
- Certification Costs
- Time spent on filling vacant positions
 - Time spent on admin and hiring task (advertising, qualification screening, interviewing and on-boarding)
- Time that co-workers and the manager/supervisor combined will make up for the vacant employee (overtime, added shifts, etc.)



State Civil Service

Proposed Compensation Plan and
Addressing the Cost of Turnover